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Ex-C.I.A. Aide Convicted in Spy Case

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ALEXANDRIA, Va., Feb. 7 — A Federal jury today found a retired Central Intelligence Agency analyst guilty on charges of spying for the Chinese for more than 30 years.

The jury deliberated for about three and a half hours before returning a verdict of guilty on all 17 counts of the indictment.

The former analyst, Larry Wu-Tai Chin, showed no emotion as he stood, hands clasped, while the verdict was read. His wife, Cathy Chin, who sat in the front row with their children throughout the trial, stayed in the courtroom after the jury had been dismissed and Judge Robert W. Merhige Jr. had slammed down his gavel for the last time. She wept and had to be helped from the building by her family.

Mr. Chin was convicted of espionage, conspiracy, unauthorized disclosure of classified information and a variety of tax charges. The espionage and conspiracy counts carry life sentences and the remaining 15 counts a total of 83 years. Mr. Chin also faces fines totalling more than \$3.3 million. No date was set for the sentencing.

Jacob Stein, Mr. Chin's lawyer, said he planned to appeal the conviction. He

said the appeal would be based in part on Judge Merhige's refusal to tell the jury to take account of the prosecution's failure to call as a witness the unknown source whose tip began the case.

Mr. Chin was one of 11 Americans charged with espionage in 1985 and he was the first person ever convicted of spying for Peking. He was arrested Nov. 22 after he acknowledged spying for the Chinese to three agents of the Federal Bureau of Investigation.

The defense and prosecution offered sharply contrasting pictures of Mr. Chin.

Joseph Aronica, the Assistant United States Attorney prosecuting the case, portrayed Mr. Chin as a "mole" for Chinese intelligence who lived "a life of lies and betrayal for a period of 30 years."

The pivotal moment in the case came when Mr. Chin took the witness stand in his own defense late Thursday. Family members said he was eager for a chance to tell his story.

He told a packed court room that he sold classified material for more than a decade to Chinese agents who he knew would deliver it to the highest levels of China's political leadership. But Mr. Chin said he was trying to "start the turn from hostility to friendship" by giving documents to the Chinese.

Mr. Chin testified that the Chinese in the period from the 1960's to the late 1970's were highly suspicious of Western motives. He said Peking's willingness to accept American overtures was enhanced by the stolen documents he provided. None of these, he said, included military matters or described American weaponry.

'Most Sensitive Secrets'

Mr. Aronica drew a very different picture of the defendant. Mr. Chin, he said, was motivated primarily by more than \$150,000 in payments from the Chinese. He said Mr. Chin began by telling a Chinese agent about his interrogation of Chinese prisoners in the Korean War and continued his espionage activities for more than three decades.

"For 30 years, he was a direct funnel from the American intelligence community to the People's Republic of China," said Mr. Aronica. The prosecutor said testimony at the trial showed

that Mr. Chin had access to sensitive intelligence reports that were given to the President, Secretary of State, Secretary of Defense and National Security Council.

"The most sensitive secrets the United States had throughout this period found their way to Peking," he declared.

Judge Merhige, in his one-hour charge to the jury, instructed them, "Good motive alone is never a defense when the act done or accused is a crime."

One mystery that remained unexplained at the close of the trial was how the American authorities first became suspicious of Mr. Chin. Prosecutors have said the investigation began in mid-1983 but have not provided further details.

The F.B.I. agents who interviewed Mr. Chin in November confronted him with detailed accounts of his conversations with Ou Qiming, who they said was his Chinese handler.

Mr. Chin told the agents that evening that he believed Mr. Ou had defected. The identity of the source who knew precisely when Mr. Chin met with Chinese intelligence agents was never revealed at the trial.

Tip From a Defector

American intelligence sources have said only that the case against Mr. Chin began with a tip from a high-level Chinese defector. It was not clear whether this was Mr. Ou or another Chinese official familiar with Mr. Chin's work.

Testimony at the trial showed that the Chinese intelligence agents used several sophisticated techniques in directing Mr. Chin's espionage activities. On the witness stand, however, Mr. Chin did describe one instance in which he fooled the Chinese operatives.

After retiring from the C.I.A. in 1981, Mr. Chin said he told his Chinese handlers he had taken a job with the National Security Agency. This was untrue.

Later, he sold the Chinese what he described as a secret report on the agency, which was in fact a translation of "The Puzzle Palace," a popular book by author James Bamford.

The Chinese, he said, were pleased with report.